

**California High Speed Rail Authority
Board of Advisors**

**June 18, 1999
Airport Marriott Hotel
Los Angeles, California**

Minutes

Present	<ul style="list-style-type: none">• HSRA Board Chairman Michael Tennenbaum, Board Member Donna Andrews, Executive Director Mehdi Morshed, Deputy Executive Directors John Barna and Dan Leavitt, several HSRA consulting team members, approximately 16 Board of Advisors members and approximately 25 members of the public, including local elected officials.
Chairman's comments	<ul style="list-style-type: none">• Chairman Tennenbaum opened the meeting at approximately 10 a.m. with introductions and comments about the challenges of meeting California's future growth as well as the importance of a statewide intercity high-speed rail system as part of California's transportation future. He discussed key issues the Authority Board must contend with, including routing, financing and service. He noted the most expensive portions of the system will be in urban areas where the system will not be traveling at top speeds.
Authority presentation	<ul style="list-style-type: none">• Executive Director Morshed discussed the history of the Authority, the Authority's mission and the role of the Board of Advisors.• Deputy Director Leavitt showed the HSRA video and gave a brief background on HSR technology, current studies, the timeline for action and key dates for the business plan.• Executive Director Morshed outlined staff recommendations for the HSR route network.
Next HSRA meeting	<ul style="list-style-type: none">• Chairman Tennenbaum noted the next Authority meeting is set for July 20-21 in San Francisco. Prior to adoption of staff recommendations, the authority will further consider:<ul style="list-style-type: none">➤ The LOSSAN rail corridor vs Inland I-15 route to San Diego➤ The Tehachapi Mountain crossing➤ Impacts of reduced gradients 2% vs 3.5% on mountain crossings
Board of Advisors discussion	<ul style="list-style-type: none">• Chairman Tennenbaum moderated a discussion asking a number of "threshold" questions.

	<ul style="list-style-type: none"> ➤ Is the concept for a statewide HSR system sound? ➤ Is there interest in this proposal? ➤ What is the most appropriate route? ➤ Is it essential to serve city centers? <ul style="list-style-type: none"> • Several Board of Advisors members noted <ul style="list-style-type: none"> ➤ There is interest in HSR and the concept is sound. ➤ It will be very difficult to convince voters to increase taxes to finance the project ➤ A “champion” for the project is needed. ➤ An incremental approach might not require an initial tax increase.
Board of Advisors comments	<p><u>John Gaudette (Bechtel)</u>: Investigate and consider using the Taiwan HSR project as a model for financing. The state share is a loan that is paid back by the private sector after 15-20 years. The financing for this project is scheduled is to be approved in July.</p> <p><u>James McMulty (Parsons Corporation)</u>: The need is there, but it is questionable if the political will exists. The project needs a champion. The Authority should select and develop Maglev technology, by 2020 we will be out of date if steel-wheel technology is selected. The project will not go forward with steel-wheel technology.</p> <p><u>Christopher Martin (AC Partners Inc.)</u>: Warranties are needed to minimize risks with new technology.</p> <p><u>Joe Levy (Gottschalks)</u>: Forget about steel-wheel technology and commit to Maglev. Put money into a Maglev demonstration project.</p> <p><u>Richard Silver (RailPac)</u>: Believes Maglev should be considered but his organization favors steel-wheel technology. Maglev is not compatible with existing systems and cannot be incrementally improved. He generally agreed with the Staff Recommendations particularly the Bay Area access via Pacheco Pass.</p> <p><u>John Van de Camp (Dewey Ballantine – United Airlines Board)</u>: He asked if the route is dependent on technology and about the capacity of the two technologies. He also asked if the system was proposed to carry freight. He noted that the route must tie into airports (particularly LAX and SFO) if the airports are to receive benefits. He recognizes that times are good, however HSR must touch the public in their heart and souls (like water, schools) if they are to increase taxes to pay for HSR. Sales tax will be difficult to sell since the public is cynical that these never end once they are enacted. The MTA is still fresh in the minds of Southern California voters. He believes that the Authority needs to go about the project incrementally.</p> <p><u>Tony Gonzalez (ACG Environments)</u>: He asked about the value the system is bringing to the people. He noted that many will see this as an elitist system. He asked about the ticket prices, and noted that the greatest benefit was</p>

probably for the Central Valley. He suggested that the champion of the project should come from the Central Valley. He believes that the route must serve Union Station in LA.

Stewart Resnick (Roll International): He asked about the certainty of the economic and ridership forecasts. He asked if there would be any displaced costs and where most of the riders were expected to be traveling.

Representative for Nelson Rising (Catellus): She asked about the difference between the "high-speed" and "very high-speed" improvements, were these compatible. She also asked about how the Authority will interface with Amtrak.

Thomas Decker (Bank of America): The project has value and they are interested, he asked if there will be a market or will the market have to be created? He said that he wants to get from LA to SF in two hours and therefore supports Maglev. He suggested that California should be able to solve the problems to make Maglev work — don't waste time with steel-wheel technology.

Julie Wright (San Diego Economic Dev.): She asked about the public outreach program. She also asked about the demographics behind the ridership forecasts.

Carolyn Beteta (California Travel and Tourism Comm.): She said that California leads the nation in tourism (290 million person trips per year). She said that many foreign travelers worry about coming to California because of our travel difficulties. She believes the system should go directly to the downtown hubs of the major urban areas, such as in San Francisco and San Diego.

Greg Kirkpatrick representing Terrence Witzel (America Farmlands Trust): He noted that it was important to serve city-centers since passengers would be carrying luggage. He also noted that the Central Valley cities would want to revitalize their downtown areas and service outside urban areas in the Central Valley would extend the urban limits.

Bob Wolf (Germania Construction Corp.): Stated that the population of California is going to the Inland Empire in the future. That the VHS line needed to continue south from Riverside to San Diego. He also believes that the VHS line down the Coastal route is in conflict with the LOSSAN rail service. He said that a four to six year environmental process is optimistic and that local agencies are agonizing over how they will simply maintain their current level of county taxes.

Linda Mandolini representing Carl Guardino (Silicon Valley Manufacturing Group): Discussed the needs for connectivity, especially with airports and urban rail.

	<p><u>Gary Mendoza (Riordan McKinzie)</u>: The Authority needs to cultivate its natural constituency (contractors, environmentalists, etc.). It needs to include these groups in the Business Plan. He said that a political leader champion was needed, and that it was hard to see this from anyone other than the Governor.</p>
Public Comments	<p>Bob Penscer, an elected official from Redondo Beach and member of the SCAG Board, was the only speaker during the public comment period. He stated that he was a supporter of HSR, but that the plan the Authority staff has recommended is "useless". The Authority has ignored SCAG and should select the route determined by SCAG. HSR must serve Palmdale, March, George and Norton air facilities. He said that the Authority would need elected support to get anything passed and that SCAG wants to be part of the planning process.</p>
Adjournment	<p>Chairman Tennenbaum adjourned the meeting at approximately 12:40 p.m.</p>